

350 E. Michigan Ave.
Suite 120

Kalamazoo, MI 49007
269-349-9170 phone
269-349-9271 fax

July 14, 2009
Dear Members of the House Energy and Technology Committee:

www.michcitizenaction.org

On behalf of Michigan Citizen Action, our state's largest consumer advocacy organization, I'm writing to urge you to support current efforts to reform Michigan's outdated rural telecommunications access tax system.

We all want a strong and prosperous future for Michigan, supported by a strong and reliable infrastructure. Just like bridges and roads, we depend on a modern and reliable telecommunications infrastructure to move information from place to place and ensure every community prospers. While the current access rate system was created with that goal in mind, Michigan Citizen Action often hears complaints from phone customers who want to know why it costs more to call a family member or business the next town over than calling across the country. Clearly, the current access rate system is badly in need of reform.

Instead of ensuring the investments we need to keep the families and small businesses of rural Michigan well-connected, the current access rate tax acts as a toll road on the information superhighway. It makes it more costly for rural businesses to remain connected to their customers, and it makes it more costly for rural families to remain connected to their children and grandchildren. The current system also lacks the fundamental accountability that consumers deserve: transparent assessment of rates; accountability for how those funds are used; and protection from excessive charges.

As the legislature moves forward with access rate reform, we hope you will do so with four goals in mind, ensuring:

- The burden of the needed investments in our infrastructure, from which we all benefit, is shared as widely and equally as possible;
- Rate-setting is publicly accountable;
- Charges are transparent to consumers;
- Collected funds are used to strengthen and modernize our telecommunications infrastructure.

On behalf of all consumers in Michigan, we thank you in advance for your work.

Sincerely,



Linda Teeter

Executive Director, Michigan Citizen Action